



Washington State Liquor Control Board

BULLETIN NO. 7

(Amended)

Rules and Regulations

Effective November 1, 1934

The following rules and regulations promulgated here below in bulletin form, have, under the provisions of Chapter 62 of the Laws of the Extraordinary Session of 1933 of the State of Washington, the force of law and any violation or violations of any such rule or regulation is a violation of the Washington State Liquor Act. These regulations will continue in force and effect until modified or revoked by the Board.

BREWERS AND BEER WHOLESALERS

(1) The issuance of any license by the Washington State Liquor Control Board shall not be construed as granting a vested right in any of the privileges so conferred and any misrepresentation of fact in the application for such license, or in the monthly reports of the licensee to the Board, shall be deemed a lack of good faith and shall constitute good and sufficient cause for the disapproval of such application or the revocation or suspension of said license by the Board.

(2) No license privileges shall be transferred or sublet, and in case of sale or transfer of the business in connection with which the licensed activities are conducted, the license holder or purchaser shall immediately submit to the Board a statement under oath showing the name and address of the purchaser and any other person directly or indirectly interested in the enterprise. If the licensee is a corporation, any sale, pledge or other disposition of its corporate stock which results in transferring the control and management of the business of the corporation shall terminate its license. If the licensee is a partnership, the sale of a partnership interest shall be deemed to be a sale or transfer of the business.

(3) Upon the loss or destruction of a license, a duplicate thereof may be issued upon furnishing affidavit of such loss or destruction, or upon such other evidence as may be required by the Board. Fee for such duplicate license shall be \$5.00.

TX408-001

DEFENDANT'S EXHIBIT	
CASE NO.	C04-0360P
EXHIBIT NO.	408

after made respecting the purchase of products of the manufacturer, distributor or wholesaler.

(12) It shall be unlawful for any person or persons to deliver beer on Sunday after 8:00 a. m.

(13) It shall be unlawful for any manufacturer, distributor or wholesaler to display, or for any retail licensee to permit the display of beer and/or wine kegs in or about licensed retail premises.

(14) All licenses shall be framed under glass and prominently displayed in the office of the licensed premises.

(15) Effective August 1st, 1934, all beer shall bear a label in accordance with Section 44 of the Washington State Liquor Act and the maximum alcoholic content of such beer shall be shown thereon by weight only and not by volume. Such labels shall contain a statement that the maximum alcoholic content does not exceed four (4) per cent by weight. Any statement of any minimum alcoholic content shall likewise be shown by weight only.

(16) Every brewer, beer wholesaler or distributor licensed under this act shall make monthly reports to the Board of monthly sales in or out of the state, and shall pay a tax of \$1.00 per barrel of thirty-one (31) gallons on beer sold within the state, and a tax on the same basis on the sale of bottled or other package beer sold within the state. A "gallon" is the United States Standard Gallon of 231 cubic inches.

(17) Beer revenue stamps must be procured from the Board in sufficient quantities and denominations so as to avoid delay to shipments. Orders for stamps must be accompanied by cash, post office money order or certified check. If order is to be forwarded by mail or registered mail, money or postage stamps to cover mailing thereof must also accompany order. Stamps may also be forwarded by express, collect, but when transmitted by express or by mail in any manner, it will be at the risk of the party ordering the same. In no case will any officer or employee of the Board be permitted to carry stamps from the Board's office to a manufacturer or warehouse.

(18) Beer may be removed or transported or caused to be removed or transported by any manufacturer, beer wholesaler, or distributor from the brewery or place of business of such manufacturer, beer wholesaler or distributor to a bottling works within the State for bottling, or to a consignee beyond the State, without the affixation of beer revenue stamps. Provided, however, that "in transit" beer stamps shall be cancelled and affixed to all barrels, packages or other beer containers so removed, transported or exported; said "in transit" stamps to be procured from the Board at the rate of twenty-five cents (25¢) per hundred. It shall be

(4) The Board shall first be notified and its consent given before any license shall apply to any other location than the licensed premises. Fee for change of licensed location, \$5.00

(5) If a change is made in the management of a licensed business, notice thereof, stating the name and address of the licensee, shall be sent by registered mail to the Board; if disapproved such new or additional manager, such change in management shall not thereafter be effective as to the license privilege.

(6) In the event the business conducted is a corporation, an additional statement may be required by the Board showing the name and address of each stockholder and the amount of stock held by each. In the event of any change in the officers or directors of a corporation, it will immediately notify the Board of such change.

(7) Authorized officials and inspectors of the Board may at any time take for the purpose of analysis a sample of any manufactured, or of any beer offered for sale at the warehouse place of business of a manufacturer, distributor, beer wholesaler or retailer.

(8) No person shall barter, sell, give away or in any manner dispose of any intoxicating liquors, on the day of any general or primary election of state, county or municipal office during the hours the polls are open.

(9) No manufacturer, distributor or beer wholesaler shall or assist any retail licensee by gifts, loans of money, or property of any description or services of any nature or other things of substantial or nominal value or by the giving of premiums or rebates, if it shall be unlawful for any retail licensee to accept same.

(10) The N. R. A. credit code for breweries which provides normal extension of credit shall be followed in all particulars inconsistent with the rules and regulations of the Board.

(11) No manufacturer, distributor or wholesaler may rent, lend or sell any equipment, fixtures or supplies, directly or indirectly, or thru a subsidiary or affiliate or by any officer, director or firm member of a manufacturer, distributor or wholesaler to a retail licensee. Nothing herein shall be construed as prohibiting sale by a manufacturer, distributor or wholesaler, or subsidiary affiliate thereof to persons other than retail licensees of such equipment, fixtures or supplies now owned by them and now installed on retail premises. No loan, rental or sale of any equipment, fixture or supplies made before the effective date of the Washington State Liquor Act shall be used as a consideration for an agreement that

after made respecting the purchase of products of the manufacturer, distributor or wholesaler.

(12) It shall be unlawful for any person or persons to deliver beer on Sunday after 8:00 a. m.

(13) It shall be unlawful for any manufacturer, distributor or wholesaler to display, or for any retail licensee to permit the display of beer and/or wine kegs in or about licensed retail premises.

(14) All licenses shall be framed under glass and prominently displayed in the office of the licensed premises.

(15) Effective August 1st, 1934, all beer shall bear a label in accordance with Section 44 of the Washington State Liquor Act and the maximum alcoholic content of such beer shall be shown thereon by weight only and not by volume. Such labels shall contain a statement that the maximum alcoholic content does not exceed four (4) per cent by weight. Any statement of any minimum alcoholic content shall likewise be shown by weight only.

(16) Every brewer, beer wholesaler or distributor licensed under this act shall make monthly reports to the Board of monthly sales in or out of the state, and shall pay a tax of \$1.00 per barrel of thirty-one (31) gallons on beer sold within the state, and a tax on the same basis on the sale of bottled or other package beer sold within the state. A "gallon" is the United States Standard Gallon of 231 cubic inches.

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(18) Beer may be removed or transported or caused to be removed or transported by any manufacturer, beer wholesaler, or distributor from the brewery or place of business of such manufacturer, beer wholesaler or distributor to a bottling works within the State for bottling, or to a consignee beyond the State, without the affixation of beer revenue stamps. Provided, however, that "in transit" beer stamps shall be cancelled and affixed to all barrels, packages or other beer containers so removed, transported or exported; said "in transit" stamps to be procured from the Board at the rate of twenty-five cents (25¢) per hundred. It shall be

beer differing in sizes and capacities from the following classification for taxing purposes, to-wit:

Barrels	Whole barrels; $\frac{1}{2}$ barrels; $\frac{1}{4}$ barrels; $\frac{1}{8}$ barrels.
Packages	12 11-oz.; 12 12-oz.; 24 11-oz.; 24 12-oz.; 12 22-oz.; 12 24-oz.; 6 11-oz.; 3 32-oz.; 2-gal. containers; $\frac{1}{2}$ -gal. containers.

(21) It shall be unlawful for any manufacturer, wholesaler or distributor, cartman, agent for transportation, or other person, to sell, remove, receive or purchase or in any way aid in the sale, removal, receipt or purchase, of any beer contained in any barrel, package, or other container from any manufacturer, upon which the proper stamp or stamps required have not been affixed or on which a false or fraudulent stamp is affixed, or on which a stamp once cancelled is used a second time. To comply with this regulation, no beer shall be imported into the State of Washington after August 1st, 1934 (except beer in transit through the State) for sale in the State, without proper stamps of the Washington State Liquor Control Board being affixed thereto and cancelled. Any beer found in violation of this regulation shall be subject to seizure and/or confiscation by the Board, its agents, employees, or by peace officers.

(22) It shall be unlawful for any retail licensee or other person to withdraw or aid in the withdrawal of any beer from any barrel, package or other vessel containing the same, without destroying or defacing the stamp affixed thereon, or to withdraw or aid in the withdrawal of any beer from any barrel, package or other container upon which the proper stamp has not been affixed or upon which a fraudulent stamp has been affixed. Any beer found in violation of this regulation shall be subject to seizure and/or confiscation by the Board, its agents, employees, or by peace officers.

(22a) In affixing the proper stamp to beer keg or barrel, the stamp shall be placed over the tapping bushing, so that in tapping each keg or barrel the faucet or tapping device through which the beer is to be drawn will be inserted through the stamp affixed to such barrel or keg in such manner as to deface the stamp; or, if the beer is to be drawn through the spigot hole or bung hole in the side of the keg or barrel, a faucet must also be inserted through the stamp so affixed at the head of the keg, or the stamp must be defaced by cutting away the portion thereof only which covers the spigot hole or tapping bushing at the head of the keg or barrel. The "in transit" stamp shall be cancelled, affixed, and defaced in like manner as the beer revenue stamp.

In affixing the proper stamp to case beer, the stamp shall be placed over middle seam of the case, preferably with $\frac{1}{2}$ of the stamp extending down over the end of the case, so that the stamp will be split three ways on opening the case.

the duty of the bottler to cancel and affix the required beer revenue stamps to all beer leaving the bottling works in barrels, packages or other containers after sale is made within the State, whether the sale be made between the brewer and/or wholesaler and the bottler, or between the bottler and licensee within the State. To comply with this regulation where the transaction between the brewer and/or wholesaler and the bottling works amounts to a sale within the State the bottler shall cancel and affix the required beer revenue stamps to all such beer before it leaves the bottling works, even if such beer is to be exported from the bottling works for sale out of the State. Where no sale has occurred within the State prior to shipment from the bottling works for export, the bottler shall cancel and affix "in transit" stamps to all beer exported for sale out of the State. The bottler shall cancel and affix the required beer revenue stamps in every case where he sells to licensees within the State.

The Board may require any manufacturer, distributor or beer wholesaler, exporting beer or shipping beer to a bottling works for bottling within the State, to furnish a bond in the penal sum of not less than One Thousand Dollars (\$1,000.00). Such bond shall be so conditioned that the principal thereon shall pay a penalty of \$5.00 per barrel in addition to such other penalties as the Board may assess, for any diversion of such beer which results in said beer being sold or offered for sale in the State of Washington without the payment of the beer revenue tax or for any counterfeiting or misuse of such "in transit" beer stamps.

(19) Beer bearing "in transit" stamps only and consigned to a bottling works for bottling within the State or for export, shall not be removed from the place of business or warehouse of a manufacturer, distributor, beer wholesaler or bottler, until definite orders have been received therefor, evidenced by written invoices or other documents of title, copies of which shall accompany the shipment showing name and address of shipper, name and address of consignee, the number and kind of packages, and the price thereof. "In transit" stamps shall be used only for the purpose of identification and regulation of beer shipments and they shall not be construed as a tax. Said stamps shall be affixed to export beer not previously sold within the State and on beer shipments to bottling works within the State for bottling. Any other use of the "in transit" stamps shall be deemed a misuse and shall subject beer so stamped to seizure and/or confiscation by the Board, its agents, employees or peace officers, in addition to other penalties as indicated in these regulations.

(20) No manufacturer, distributor or wholesaler shall, without permission of the Board, adopt or use any packages or containers for

beer differing in sizes and capacities from the following classification for taxing purposes, to-wit:

Barrels	Whole barrels; $\frac{1}{2}$ barrels; $\frac{3}{4}$ barrels; $\frac{1}{8}$ barrels.
Packages	12 11-oz.; 12 12-oz.; 24 11-oz.; 24 12-oz.; 12 22-oz.; 12 24-oz.; 6 11-oz.; 3 32-oz.; 2-gal. containers; $\frac{1}{2}$ -gal. containers.

(21) It shall be unlawful for any manufacturer, wholesaler or distributor, carman, agent for transportation, or other person, to sell, remove, receive or purchase or in any way aid in the sale, removal, receipt or purchase, of any beer contained in any barrel, package, or other container from any manufacturer, upon which the proper stamp or stamps required have not been affixed or on which a false or fraudulent stamp is affixed, or on which a stamp once cancelled is used a second time. To comply with this regulation, no beer shall be imported into the State of Washington after August 1st, 1934 (except beer in transit through the State) for sale in the State, without proper stamps of the Washington State Liquor Control Board being affixed thereto and cancelled. Any beer found in violation of this regulation shall be subject to seizure and/or confiscation by the Board, its agents, employees, or by peace officers.

(22) It shall be unlawful for any retail licensee or other person to withdraw or aid in the withdrawal of any beer from any barrel, package or other vessel containing the same, without destroying or defacing the stamp affixed thereon, or to withdraw or aid in the withdrawal of any beer from any barrel, package or other container upon which the proper stamp has not been affixed or upon which a fraudulent stamp has been affixed. Any beer found in violation of this regulation shall be subject to seizure and/or confiscation by the Board, its agents, employees, or by peace officers.

(22a) In affixing the proper stamp to beer keg or barrel, the stamp shall be placed over the tapping bushing, so that in tapping each keg or barrel the faucet or tapping device through which the beer is to be drawn will be inserted through the stamp affixed to such barrel or keg in such manner as to deface the stamp; or, if the beer is to be drawn through the spigot hole or bung hole in the side of the keg or barrel, a faucet must also be inserted through the stamp so affixed at the head of the keg, or the stamp must be defaced by cutting away the portion thereof only which covers the spigot hole or tapping bushing at the head of the keg or barrel. The "in transit" stamp shall be cancelled, affixed, and defaced in like manner as the beer revenue stamp.

In affixing the proper stamp to case beer, the stamp shall be placed over middle seam of the case, preferably with $\frac{1}{2}$ of the stamp extending down over the end of the case, so that the stamp will be split three ways on opening the case.

establishment within the meaning of Section 90 of the Washington State Liquor Act. Any brewer or beer wholesaler who grants any credit whatsoever to a licensed retailer within the first thirty days that such licensed business is conducted shall be deemed to have a financial interest in such retail establishment within the meaning of Section 90 of the Washington State Liquor Act.

(32) The Board may, in its discretion, sell or otherwise dispose of seized or confiscated liquor.

(33) In the event of the incapacity, death, receivership, or bankruptcy of any licensee, his guardian, executor, administrator, receiver, or trustee in bankruptcy, may, upon written authority from the Board, continue the business of the licensee on the licensed premises for the duration of the license, unless sooner terminated.